

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
Division of Housing Policy Development

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November 30, 2004

Mr. Tom Hayes
Senior Planner
City of Chico
P.O. Box 3420
Chico, CA 95927

Dear Mr. Hayes:

Re: Review of the City of Chico's Revised Draft Housing Element

Thank you for submitting draft revisions to Chico's adopted housing element, received October 1, 2004 for review, with supplemental information received by facsimile on November 15 and 23, 2004. As you know, the Department is required to review draft housing elements and report our findings to the locality pursuant to Government Code Section 65585(b). The review was facilitated by a November 19, 2004 telephone conversation with you and Mr. Dennis McLaughlin, Chico's Housing Officer.

The Department is pleased to find the draft revisions to Chico's housing element address the statutory requirements described in its July 30, 2004 review. The element now includes, among other revisions, a program to rezone additional sites for high density residential use, an expanded analysis of potential and actual governmental constraints affecting housing for persons with disabilities, and identifies zones where development of housing for agricultural workers is permitted. Once the revisions have been adopted by the City and submitted to the Department for review, the element will be in full compliance with State housing element law.

For your information, recently enacted legislation (Chapter 706, Statutes 2002, Government Code Section 65863) requires Chico to ensure its inventory of adequate sites can accommodate its share of the regional housing need throughout the planning period. Further, Government Code Section 65863(b) prohibits local governments from lowering a residential density below that utilized by the Department in determining compliance with housing element law unless the locality makes certain findings.

Also, upon adoption, the City will be in compliance with State housing element law, which is one of the threshold requirements for an innovative new program that rewards local governments for approving affordable workforce housing. The Workforce Housing Program, funded by Proposition 46, provides grant funds to eligible local governments for every qualifying unit permitted, beginning calendar year 2004. Grant awards can be used to fund any capital asset project, including transportation or park improvements. More specific information about the program is available on the Department's website at <http://www.hcd.ca.gov>.

Mr. Tom Hayes

Page 2

The Department appreciates the assistance you and Mr. McLaughlin have provided during the course of the review. If you have further questions or concerns, please contact Michelle Woods, of our staff, at (916) 327-8881.

In accordance with requests received pursuant to the Public Records Act, we are forwarding a copy of this letter to the individuals listed below.

Sincerely,



Cathy E. Creswell
Deputy Director

cc: Dennis McLaughlin, Housing Officer, City of Chico
Mark Stivers, Senate Committee on Housing & Community Development
Suzanne Ambrose, Supervising Deputy Attorney General, AG's Office
Terry Roberts, Governor's Office of Planning and Research
Nick Cammarota, California Building Industry Association
Marcia Salkin, California Association of Realtors
Marc Brown, California Rural Legal Assistance Foundation
Rob Weiner, California Coalition for Rural Housing
John Douglas, AICP, Civic Solutions
Deanna Kitamura, Western Center on Law and Poverty
S. Lynn Martinez, Western Center on Law and Poverty
Alexander Abbe, Law Firm of Richards, Watson & Gershon
Michael G. Colantuono, Colantuono, Levin & Rozell, APC
Ilene J. Jacobs, California Rural Legal Assistance, Inc.
Richard Marcantonio, Public Advocates